



# CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT



WORKFORCE DEVELOPMENT BUREAU

3447 ATLANTIC AVENUE • LONG BEACH, CALIFORNIA 90807 • (562) 570-3654 • FAX (562) 570-3657 • TTY (562) 570-3760

**Date:** April 12, 2007  
**To:** City of Long Beach Workforce Development Bureau Staff  
**From:** Bryan S. Rogers, Workforce Development Bureau Manager  
**Subject:** **POLICY MEMORANDUM: WDB-03**  
**PURCHASING/PROCUREMENT POLICY**

A handwritten signature in blue ink, appearing to read "Bryan S. Rogers", is written over the "From:" line.

## EFFECTIVE DATE

This policy is effective upon date of issue, and replaces Policy Memorandum 3, dated February 18, 2003.

## PURPOSE

The revised policy provides guidance regarding federal, state, and local procurement rules/regulations listed in 29 CFR 97.36. Each recipient and subrecipient of funds is responsible for complying with all applicable fiscal guidelines of respective funding streams.

## BACKGROUND

As specified in WIADO3-9, State approval is required prior to charging WIA grant funds for purchases of property (i.e., durable goods, equipment, buildings, installations, and land) with a per unit acquisition cost of \$5,000 or more. Property also includes computer software.

Only the City Council can bind the City to a contract in excess of \$95,000. The City Manager, or his designee, has the authority to bind the City to a contract below \$95,000.

Any and all purchases require staff to complete a Request for Authorization to Purchase (RAP) form (attached as Exhibit A). City required forms for the procurement of goods and services are listed on the City's website and are generally completed by the Bureau's Fiscal Services Unit (BFSU).

Should there ever be a conflict between City and WIA policy, always use the most stringent guidelines. Regardless of the procurement method utilized, all transactions require a specific procurement action (per WIA Directive D00-2).

## PROCEDURES

All staff and sub-recipients of WIA funding from the Greater Long Beach Workforce Development Board must follow the guidelines stated in the policy.

## **Purchasing Options:**

**Small Purchases:** Small purchase means the acquisition of goods or services that do not cost more than \$50,000 in the aggregate. Refer to Exhibit B.

**Petty Cash:** Petty cash is used to cover parking validation and other incidental costs such as support services, subscriptions, mileage reimbursements, etc.

**Purchasing Cards (P-Cards):** This method is used for City employees that routinely purchase items for amounts \$1,000 or less per transaction. A transaction limit may be increased if requested by the department head or designee and reviewed by Financial Management. The Bureau Manager or his designee will determine who should have a P-Card.

**Sealed Bids:** This is used when purchasing goods or services are specific and precise in large quantities. The Bureau's Fiscal Services Unit (BFSU) initiates a Sealed Bid request and the City's Purchasing Department completes all sealed bids. Awards are made to the lowest bidder.

**Request for Proposals/Qualifications (RFP/RFQ) or Competitive Proposals:** This is used when goods or service being procured is less precise, and when factors other than lowest price matter, i.e., program design, contractor services, performance statistics, and innovation. RFP/RFQs are conducted by WDB staff and require significant lead-time. Staff involved in the evaluation process are required to read the Code of Conduct and sign a Conflict of Interest/Disclosure Statement. Specific guidelines and instructions are included as Exhibit C.

**Noncompetitive Proposals (Sole Source):** The item or service is available only from a single source. The awarding agency authorizes noncompetitive solicitation. After solicitation of a number of sources, competition is determined inadequate. Other procurement methods are infeasible. Refer to Exhibit D.

## **Summary of Agreement Documents:**

**Memorandum of Understanding (MOU):** MOUs are non-financial agreements, partner cost-sharing agreements, and inter-departmental (CLB) agreements for services. MOUs are not contracts or agreements for vendor and subcontractor situations.

**Scope of Work (AKA Statement of Work):** Scopes of Work are short, detailed descriptions of services and goods to be provided to the Bureau (or by the Bureau), to provide clarity with vendors and sub-contractors in the case of routing purchase orders. They serve as record of what is agreed to and allowable for timing and items for payment under a purchase order. Remember that purchase orders may only reach a maximum of \$94,999 without City Council approval, and must be personally approved by the City Manager if over \$50,000.

**Contract, with an attached Statement of Work:** Contracts, along with customized statements of work, are our formalized agreements with vendors and sub-contractors. Typically they are used when we initiate an agreement with an entity that requires City Council approval (and subsequent approvals by the City Attorney and City Manager). City Council action is always required when we are initiating a project of \$95,000 or more, or if a third-party agency is contracting-in with us – regardless of the dollar impact.

The first part of the contract is a “boilerplate” document drafted and provided by our attorney that references key laws and regulations of the City, the State and the federal legislation sponsoring the funds utilized. We attach for reference a customized Statement of Work and Budget Summary (or Fee Schedule) that details what is negotiated, agreed to, and allowable as activities and payments under that contract.

*The above Agreements are solely for creating an agreed relationship for the provision of goods, services, or cost-sharing arrangements. None of the above creates a payment mechanism for the Financial Services Unit to generate payments to any vendor, sub-contractor, or partner. In each case – with the exception of the MOU, which is not for payment agreements – a purchase order must be created through the Bureau’s established fiscal process.*

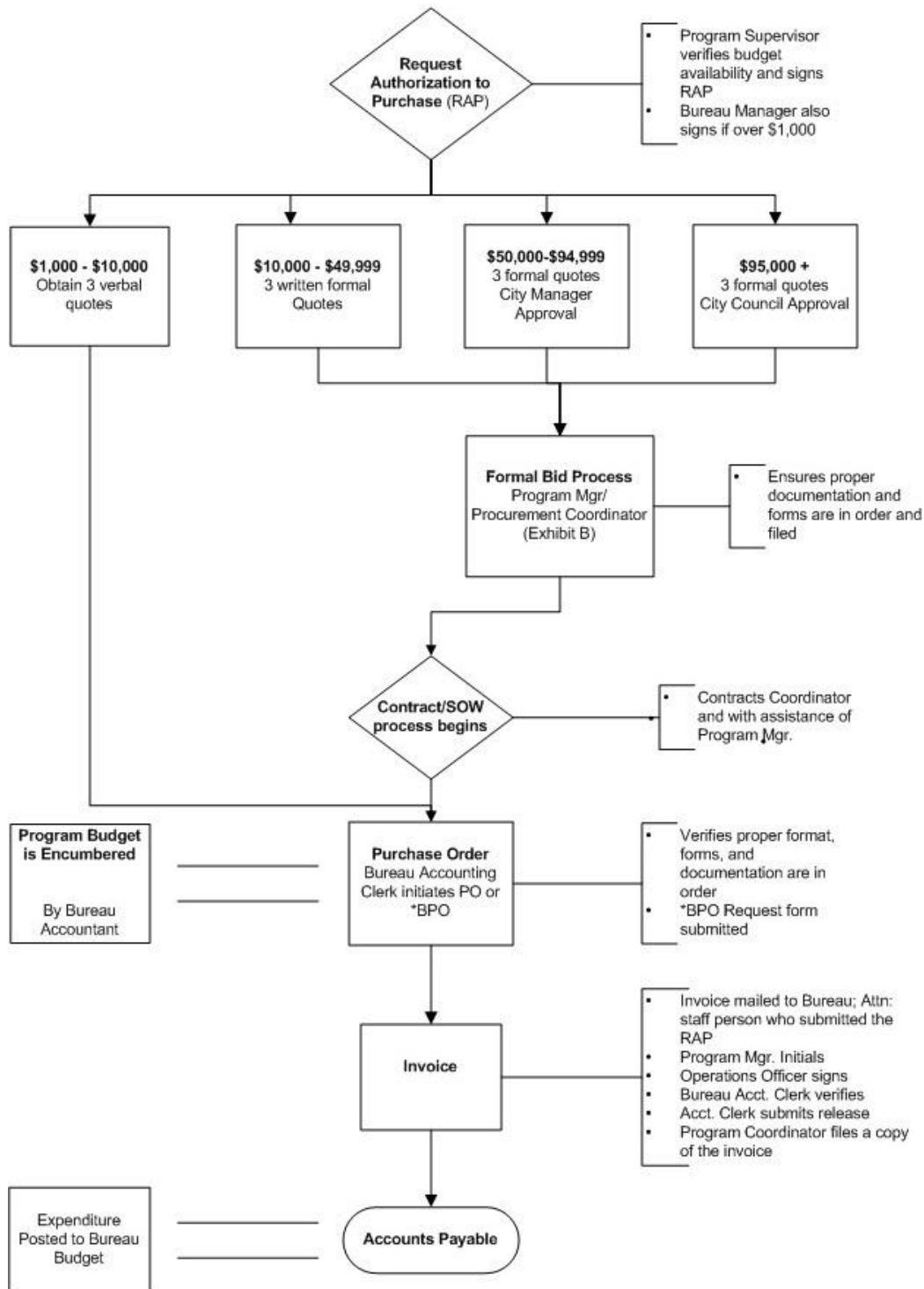
**Table A - Purchasing Guidelines:**

<b>Purchase Amount</b>	<b>Purchasing Method</b>	<b>Procedures</b>
\$0.01 to \$1,000	Petty Cash	<ul style="list-style-type: none"> <li>• Program staff completes RAP</li> <li>• Program staff prepares check request for signature of Program Supervisor and Bureau Manager/Operations Officer</li> <li>• Signed request is forwarded to the Acct. Clerk</li> </ul>
\$0.01 to \$1,000	P-Card	<ul style="list-style-type: none"> <li>• Program staff completes RAP</li> <li>• Cardholder: <ul style="list-style-type: none"> <li>• Submits invoices to Bureau acct. clerk weekly</li> <li>• P-Card Request Form authorized by Approver and Manager (Operations Officer)</li> </ul> </li> </ul>
\$1,000.01 to \$10,000	Direct Purchase or Requisition or	<ul style="list-style-type: none"> <li>• Program staff completes RAP</li> <li>• Program staff obtains quotes from at least 3 vendors (Verbal quotes are acceptable)</li> <li>• Submit paperwork to Bureau Acct. Clerk</li> <li>• Bureau Acct. Clerk processes Purchase Order. <ul style="list-style-type: none"> <li>• Budget Encumbered</li> </ul> </li> <li>• Professional services require completion</li> </ul>

	Blanket Purchase Order Request	<p>of a "Professional Services Background Form. Sheet.</p> <ul style="list-style-type: none"> <li>To request Purchasing to post a Blanket Order (BPO), the Dept. must submit a "BPO Request Form" to Purchasing</li> </ul>
\$10,000.01 to \$50,000	Requisition or Blanket Purchase Order Request	<ul style="list-style-type: none"> <li>Program staff completes RAP</li> <li>Written quotes are required from a minimum of 3 suppliers. In most cases, the Purchasing Division processes an Invitation to Bid.</li> <li>Bureau acct. clerk completes on-line Requisition for Purchasing to process Purchase Order</li> <li>For professional services, Dept. submits "Professional Services Background Information Sheet" to Purchasing.</li> <li>To request Purchasing to create a Blanket Purchase Order (BPO), Dept. must submit a "BPO Request Form" to Purchasing.</li> </ul>
\$50,000.01 to \$95,000	Requisition Or Blanket Purchase Order Request	<ul style="list-style-type: none"> <li>Program staff completes RAP</li> <li>Written quotes are required (3 suppliers)</li> <li>Program Manager or designee works with Contract Coordinator to initiate and finalize procurement process (if required) In most cases, the Purchasing Division processes an invitation to Bid via Bids OnLine™. Contract Coordinator may also mail RFP/RFQ announcements to Bidders/others</li> <li>City Manager approval is required. A "City Manager Purchasing Approval Form" must be processed.</li> <li>Program staff and Acct. Clerk initiate forms &amp; forward to Purchasing for processing. <ul style="list-style-type: none"> <li>Budget encumbered</li> </ul> </li> <li>Acct. Clerk. completes on-line Requisition or submits BPO request to Purchasing</li> <li>Written quotes are required (3 suppliers)</li> <li>For professional services, Dept. submits "Professional Services Background Information Sheet" &amp; requires contractor to sign "Additional Terms &amp; Conditions for</li> </ul>

		<p>Professional Services Not to Exceed \$95,000" document.</p> <ul style="list-style-type: none"> <li>• For construction work, Purchasing or Dept. requires contractor to sign "Additional Terms and Conditions for Construction Not to Exceed \$95,000."</li> <li>• Acct. Clerk must process the same forms and documents for BPOs that are required for a requisition.</li> </ul>
\$95,000 & over	<p>Requisition</p> <p>Or</p> <p>Blanket Purchase Order Request</p>	<ul style="list-style-type: none"> <li>• Program staff complete RAP</li> <li>• City Council approval is required. Staff processes contractual agreement &amp; Council letter.</li> <li>• A formal competitive bid process is required.</li> <li>• Program Manager or designee works with Contract Coordinator to initiate and finalize procurement process.</li> <li>• Bureau Acct. Clerk completes on-line Requisition for Purchasing to process SBO or submits BPO. <ul style="list-style-type: none"> <li>• Budget encumbered</li> </ul> </li> <li>• For professional services, acct. clerk submits "Professional Service Background Information Sheet."</li> <li>• Depts. Must process the same forms and documents for BPOs that are required for a requisition.</li> </ul>

## Procurement/Purchasing Steps



### **Travel Requests/Reimbursements:**

- A. Authorization to travel / attend a conference **MUST BE** submitted to Bureau Manager, and Department Director. *See note.*
- B. Airfare and registration fees can be prepaid. Submit completed registration form and Authorization memo to Financial Services Unit.
- C. Complete travel expense report, must attach copy of authorization memo, original receipts, and a copy of agenda / brochure from conference / training.

*Note* – Authorization to travel / attend a conference must be approved **prior to any travel taking place**. If more than one person is attending a conference **overnight**, approval must be obtained from City Manager **prior** to travel also. Overnight stays are **not** reimbursable if travel radius is less than 50 miles. The meal allowance for one day is \$50 including tax. The maximum allowable gratuity is 15%.

### **Mileage Reimbursement:**

- A. Complete mileage form, it MUST BE signed by your supervisor.
- B. Complete mileage report supplemental form.
- C. Submit original forms for payment to Financial Services.
- D. Current mileage reimbursement is \$0.385. To find the current rate go the City's Intranet HR Employee page and click on Labor Relations. Click on MOUs then click on Association of Confidential Employees Amendment 2004-07. Scroll to mileage reimbursement.

### **REFERENCES**

- Title 20 Code of Federal Regulations (CFR), WIA Final Rule, Section 667.200
- Title 29 CFR Part 97, Section 97.36 & Sections 95.40 through 95.48
- WIA Directive WIAD02-3, subject: Property—Prior Approval, Purchasing, Inventory and Disposal
- WIA Directive WIAD00-2, subject: Procurement

### **CONTACT**

Should you have any questions regarding this Policy Memorandum, please contact Sally Ghan at (562) 570-3679.

Attachments

BSR:gf

**Exhibit A**

**REQUEST FOR AUTHORIZATION TO PURCHASE**

No purchase will be allowed unless this form has been signed and approved. Any purchase over \$1,000 must be **pre-approved** by Bryan Rogers.

Request for purchase may be denied if the purchase is not an allowable cost according to Bureau policy, WIA, and City regulations.

Date:\_\_\_\_\_ Bryan Rogers:\_\_\_\_\_

Requestor:\_\_\_\_\_ Supervisor:\_\_\_\_\_

Amount Requested:\_\_\_\_\_ Date needed:\_\_\_\_\_ Event Date:\_\_\_\_\_

Recommended vendor: \_\_\_\_\_ Tax ID #:\_\_\_\_\_

Address:\_\_\_\_\_

Vendor contact: \_\_\_\_\_ Phone:\_\_\_\_\_

**Please provide a brief description of the item(s) to be purchased and what grant this purchase will support:** \_\_\_\_\_

Will vendor accept a Purchase Order? Yes No  
If no, what method of payment will they accept?\_\_\_\_\_

**\*\*\*REQUESTING SECTION PLEASE CHOOSE FROM THE FOLLOWING\*\*\***

A new Purchase Order to be initiated (attach all required documents)

Order from existing Purchase Order

**Request denied because:**\_\_\_\_\_

**Index Code:** \_\_\_\_\_ **Grant Detail:**\_\_\_\_\_

**Received:**

\_\_\_\_\_  
**Accounts Payable Clerk**

\_\_\_\_\_  
**Date**



**Exhibit B**

**CITY OF LONG BEACH  
WORKFORCE DEVELOPMENT BUREAU**

**REQUEST FOR QUALIFICATIONS  
VENDOR SELECTION OF SMALL PURCHASES**

**GOODS/SERVICE TO BE PROVIDED:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**PRICE QUOTATIONS (Per Transaction):**

\$ \_\_\_\_\_ Vendor #1: \_\_\_\_\_

\$ \_\_\_\_\_ Vendor #2: \_\_\_\_\_

\$ \_\_\_\_\_ Vendor #3: \_\_\_\_\_

**SELECTION PROCESS:**

	Vendor #1	Vendor #2	Vendor #3
Requirements/Rationale:			
Availability	_____	_____	_____
Specialized Good/Service	_____	_____	_____
Price	_____	_____	_____
Location	_____	_____	_____
Equipment	_____	_____	_____
Materials	_____	_____	_____
Quality	_____	_____	_____
Facility	_____	_____	_____
Delivery	_____	_____	_____
Other	_____	_____	_____

**VENDOR SELECTED:** \_\_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Must indicate in writing the basis for the selection of the chosen vendor to provide the identified goods/service.**

Bureau Designee: \_\_\_\_\_

Date: \_\_\_\_\_

## **Exhibit C**

### **I. Request for Proposal/Qualification (RFP/RFQ) Content:**

All procurements must ensure full and open competition. (The RFP/RFQ hereinafter shall be referred to as RFP.) Employees conducting procurements are required to adhere to the code of conduct and conflict of interest rules adopted by the Board and currently in effect. The RFP must include:

#### **General Provision:**

The General Information section of the RFP/RFQ must include a table of contents; the issuance date; name and address of contracting agency; telephone number and email address of contact person; location of where the proposals are to be submitted; instructions on number of copies to be submitted and the acceptable format; date and time of submission; criteria that must be satisfied for the proposal to be considered; circumstances under which bids will be rejected; proposal evaluation, if applicable; a description of the dispute resolution process, a description of failed competition and the rights and options in the event of a failure; and signature and date block for the offeror.

The General Information section must also include the amount of funding that is available and information on the requirements of contracting with the City, i.e., insurance requirements.

#### **RFP Statement of Work:**

The Statement of Work section must include background and project content; related projects (if applicable); problem statement; the statutory or regulatory foundation of the procurement; project objectives; the purpose of the project, and how the results will be used. It must also include the scope of work expected; the population to be served; the approximate number to be served; the training or services to be provided; the period of performance; performance standards; and the reporting requirements.

#### **Contract Requirements:**

The Contract Requirements section must include compliance with WIA regulations, DOL's requirements and Public Policy information. This includes:

- Administrative, contractual, or legal remedies in instances of contractual violation (Contracts in excess of \$10,000) [29 CFR 97.36(i)(2)]
- Termination for cause or for convenience by the grantee or contractor. (All contracts in excess of \$10,000) [29CFR 97.36(i)(1)]
- Requirements and regulations pertaining to reporting. [29 CFR 97.36(l)(7)]
- DOL's requirements pertaining to patent rights with respect to any discovery or invention under the contract. [29 CFR 97.36(i)(9)]
- Retention of all required records for 7 years. [29 CFR(i)(11)]
- Accordance with Title VI of the Civil Rights Act of 1964, and provisions of WIA Section 188 and compliance with Equal Employment Opportunity provisions in Executive Order (E.O.) 11246, as amended by E.O. 11375 and supplemented by the requirements of 41 CFR Part 60 [20 CFR 667.200(f) and 29 CFR 97.36(i)(3)].
- Compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act (contracts in excess of \$100,000 [29 CFR 97.36(i)(12)].
- For a non-governmental agency awarded a contract for \$100,000 or more, certification that no funds shall be used for lobbying (Byrd-Anti-Lobbying Amendment). [20 CFR 667.200(d) and 29 CFR 98.600-630]

- The rights of the State, DOL, or any of their authorized representatives to access any books, records, papers or pertinent documents for the purpose of auditing or monitoring [29 CFR 97.36(i)(10)]
- Compliance with the debarment and suspension requirements (E.O. 12459 and 12689). [29 CFR 667.200(d), and 29 CFR Parts 97.35 and 98.510]
- Certification of a Drug Free Workplace. [20 CFR 667.200(d) and 29 CFR 98.600-630]

## **II. RFP/RFQ Steps:**

The RFP/RFQ requires the approval of the Operations Officer/Bureau Manager and should be written by the Contract Coordinator and program staff requesting the procurement. Avoid purchase of unnecessary or duplicate items, including analysis of lease vs. purchase. Determine if use of common goods or services and Federal excess and surplus property is reasonable.

### **Public Notification:**

The public notification may be made through an announcement with a local public medium (e.g., local newspaper) or other media that covers the entire service area. Agencies listed on "interested party" or "bidders" lists are to be individually notified. A copy of the RFP is given to anyone who requests it. Record everyone who requests a copy. Notification may also be provided on the Bureau's website and Bids OnLine <sup>TM</sup>

If using the Press Telegram, email a copy of the announcement to [Legals@presstelegram.com](mailto:Legals@presstelegram.com). Let them know the dates you want the ad to run. They will fax back a copy of verification for the Procurement Binder and for the Financial Services Unit.

### **Bidders' Conference:**

Determine if a bidders' conference will be conducted. The need for a bidder's conference is at the discretion of Bureau management. Normally, one is held if the procurement is for program services, i.e., youth services, or if it is felt that further clarification of the procurement is necessary. If a bidder's conference is to be held, the date, time and location shall be included in the public notification or the RFP. Document in writing each question and answer. Provide this to all parties who received the RFP or as an addendum to the RFP for any subsequent requestors.

### **General Questions:**

Respond to questions as they arise during the RFP/RFQ response cycle. Record all questions and responses, except those, which are clearly answered in the RFP. Answers to questions may be provided via email or on the Bureau's website. Questions/answers must be provided in a timely manner to ensure all bidders are aware of the responses while preparing their proposals.

### **Proposal Submission:**

The Contract Coordinator receives, logs, and date/time stamps the proposals and ensures that only proposals received by the deadline specified in the RFP qualify for the evaluation process.

Timely proposals will be reviewed for technical merits based on the rating criteria in the RFP including cost. Distinguish between vendor and subrecipient. Use this as a rule of thumb "does the awardee's services impact the participant? If yes, the awardee is most likely a subrecipient. If no, as in general classroom training, the awardee is most likely a vendor.

The Bureau Manager or program manager shall determine the process for face-to-face negotiations, providing an opportunity to seek clarification of the proposal content , i.e., determine the approach to be taken with proposers, does the proposal content need clarification, does the proposer fully understand what is being procured, is the funding request reasonable and appropriate for the services, etc.

**Evaluation Procedures:**

Establish the proposals evaluation procedures. Including:

- Determination if contract will be cost reimbursement or fixed price
- Clear evaluator responsibilities and a standard worksheet or checklist for responsiveness of each proposal
- Description of evaluation criteria
- Analysis of cost to verify compliance and reasonableness
- Description of methods ensuring independent ratings by those involved in the evaluation process
- Ensure that awards are made only to responsible contractors with ability to perform successfully. Standards should address integrity, compliance with public policy, past performance, and contractor resources (technical and financial). This determination must be documented and should include independently verified information and data.

**Award Notification:**

Once proposals are scored and consensus has been reached, the Contract Coordinator will notify the bidders in writing. The winning bidder shall be contacted by the Program Manager/staff person initiating the procurement.

**Dispute/Appeal Resolution Process:**

Each RFP/RFQ includes a dispute/appeal process specifying how a bidder can submit an appeal, to whom do they submit it, the date by which it is due to the Bureau. Only circumstances under which an appeal of the City funding recommendations will be considered are if the bidders allege that the City has violated:

- a. A provision(s) of the Workforce Investment Act (Public Law 105-220) or its regulations; and/or
- b. A provision(s) of the RFP's stated process

There can be no appeal of the LBWIA funding decision, unless based on either of the above circumstances. Appeals must be filed within three (3) business days following issuance of the LBWIA Review Panel's recommendation. Copies of referenced laws, regulations, and City policy may be obtained upon request. A hearing date will be set within five (5) days of the appeal.

Once the appeal is received an appeal hearing date and time will be scheduled and the bidder will be notified in writing of hearing.

**Workforce Development Bureau  
STAFF CODE OF CONDUCT**

I acknowledge that I have been appointed to conduct reviews and make procurement recommendations regarding proposals received by the City/Greater Long Beach Workforce Development Board. I have been briefed on my responsibilities relating to conflict of interest and non-disclosure of information obtained during these reviews. I have also been briefed on the conflict of interest rules adopted by the Board and currently in effect.

I do not and will not have any conflict of interest, personal or organizational, real or apparent, in participating in procurements conducted by the City/Board. If in the course of reviewing proposals received in response to the RFP, I become aware of an actual or possible conflict of interest, I will notify the agency official responsible for such procurement and seek his/her advice as to withdrawal from involvement in that procurement.

Further, I will disclose no information obtained in reviewing proposals under this solicitation to anyone not participating in that review. Specifically, I will not disclose the number of respondents to any solicitation; the names of individuals and organizations that respond; nor will I disclose any information from technical cost/pricing submissions of those offeror(s); except to reviewers officially assigned to this solicitation.

Finally, if anyone not assigned to the official review chain seeks information about a procurement, I will not supply any information but will refer him or her to the agency official responsible for procurement.

\_\_\_\_\_  
NAME

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
TITLE

Revised February 18, 2003

**Exhibit D**

**CITY OF LONG BEACH  
WORKFORCE DEVELOPMENT BUREAU**

**JUSTIFICATION FOR SELECTION OF SOLE SOURCE PROVIDER**

PROVIDER NAME: \_\_\_\_\_

**GOODS/SERVICES TO BE PROVIDED:**

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**JUSTIFICATION:**

- \_\_\_\_\_ Item or service is available only from a single source
- \_\_\_\_\_ There is a public exigency or emergency need for the item or service does not permit a delay resulting from competitive solicitation
- \_\_\_\_\_ After solicitation of a number of sources, competition is determined inadequate
- \_\_\_\_\_ Other procurement methods infeasible

**COMMENTS:**

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**REASONABLENESS OF PRICE:**

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Bureau Designee: \_\_\_\_\_ Date: \_\_\_\_\_